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ELIAS C. ALVORD (1942)  
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RECORDATION NO.

24420-YYY

FILED

OCT 11 '06

12:49 PM

SURFACE TRANSPORTATION BOARD

OF COUNSEL  
URBAN A. LESTER

October 11, 2006

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Commercial Security Agreement Modification Agreement, dated as of September 27, 2006, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Commercial Security Agreement previously filed with the Board under Recordation Number 24420.

The name and address of the party to the enclosed document are:

Secured Party: First Mid-Illinois Bank & Trust  
12616 State Route 143  
Highland, IL 62249

Debtor: Midwest Railcar Corporation  
4949 Autumn Oaks Drive,  
Maryville, IL 62062

Mr. Vernon A. Williams  
October 11, 2006  
Page 2

A description of the railroad equipment covered by the enclosed document is:

62 covered hopper railcars within the series HS 24220 – HS 25814 as more particularly set forth in the equipment schedule attached to the document.

A short summary of the document to appear in the index is:

Memorandum of Commercial Security Agreement Modification Agreement.

Also enclosed is a check in the amount of \$34.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Alvord', with a long horizontal stroke extending to the right.

Robert W. Alvord

RWA/sem  
Enclosures

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RECORDATION NO.

24420-444  
FILED

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SURFACE TRANSPORTATION BOARD

**MEMORANDUM OF COMMERCIAL SECURITY AGREEMENT  
MODIFICATION AGREEMENT**

**dated September 27, 2006**

**by and between**

**MIDWEST RAILCAR CORPORATION,  
as Debtor**

**and**

**FIRST MID-ILLINOIS BANK & TRUST, NA  
as Secured Party**

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**MEMORANDUM OF COMMERCIAL SECURITY AGREEMENT**  
**MODIFICATION AGREEMENT**

**THIS MEMORANDUM OF COMMERCIAL SECURITY AGREEMENT MODIFICATION AGREEMENT** (this "Agreement") is made this 27<sup>th</sup> day of September, 2006, by and between **MIDWEST RAILCAR CORPORATION**, an Illinois corporation ("the "Debtor"), and **FIRST MID-ILLINOIS BANK AND TRUST, NA**, a state-chartered Federal Reserve Member bank organized under the laws of the State of Illinois ("the Secured Party"), witnesseth:

**RECITALS**

- A. The Debtor and the Secured Party are parties to that certain Loan Agreement dated as of January 9, 2003 first amended May 30, 2003, and further amended March 5, 2004; March 31, 2005; and March 31, 2006 (collectively, the "Loan Agreement"), pursuant to which the Secured Party agreed to extend to the Debtor a line of credit described in the Loan Agreement.
- B. To secure the Debtor's Obligations (as defined in the Loan Agreement) to the Secured Party, the Debtor executed and delivered to the Secured Party a Commercial Security Agreement dated as of January 2, 2003, pursuant to which the Borrower granted to the Bank a continuing, first priority security interest in and to, and lien on, certain railcars.
- C. A Memorandum of Commercial Security Agreement (the "Memorandum of Commercial Security Agreement") was filed and recorded with the Surface Transportation Board pursuant to 49 U.S.C 11301 (a) on April 23, 2003 at 4:01 p.m. under Recordation No. 24420.
- D. The Debtor subsequently purchased Sixty-Two (62) covered hoppers (collectively, the "Railcars") described on **Exhibit A** attached hereto.
- E. The Secured Party and the Debtor executed a Commercial Security Agreement Modification Agreement dated as of the date hereof pursuant to which the parties amended Schedule 1 to the Commercial Security Agreement by adding the car marks and numbers of the Railcars to the collateral listed therein.
- F. The Secured Party and the Debtor desire to amend certain provisions of the Memorandum of Commercial Security Agreement.

**TERMS**

**NOW, THEREFORE**, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Secured Party and the Debtor hereby agree as follows:

- 1. The facts set forth above are true and accurate in each respect.
- 2. The Memorandum of Commercial Security Agreement is hereby amended as follows: **Exhibit A** attached to the Memorandum of Commercial Security Agreement is amended by adding the car marks and numbers of the Railcars.
- 3. The term "this Memorandum" as used in the Memorandum of Commercial Security Agreement shall mean the Memorandum of Commercial Security Agreement as modified herein unless the context clearly indicates or dictates a contrary meaning.


4. This Agreement may not be amended, changed, modified, altered, or terminated without in each instance the prior written consent of the Secured Party. This Agreement shall be construed in accordance with and governed by the laws of the State of Illinois.
5. This Agreement may be executed in any number of counterparts, all of which when taken together shall constitute one agreement.

**(SIGNATURES APPEAR ON THE FOLLOWING PAGE)**

IN WITNESS WHEREOF, the parties have caused this Memorandum to be executed as of the date first above written.

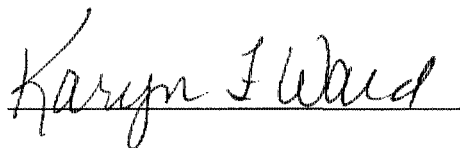
WITNESS:


MIDWEST RAILCAR CORPORATION

By:   
Richard M. Murphy, III, President

WITNESS:

FIRST MID-ILLINOIS BANK AND TRUST, NA

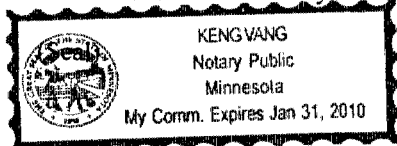


By:   
Gordon D. Smith, Regional President

STATE OF Minnesota, County of Hennepin

On this 27<sup>th</sup> day of September, 2006, before me, a Notary Public of the County and State aforesaid, personally appeared Richard M. Murphy, III, to me personally known, who being by me duly sworn, says that he is the President of Midwest Railcar Corporation, an Illinois corporation, that the seal affixed to the foregoing instrument is the seal of said association, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and the acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal



  
Notary Public

My commission expires: Jan. 31, 2010

STATE OF ILLINOIS County of Madison

On this 27<sup>th</sup> day of September, 2006, before me, a Notary Public of the County and State aforesaid, personally appeared Gordon D. Smith, to me personally known, who being by me duly sworn, says that he is a Regional President of FIRST MID-ILLINOIS BANK AND TRUST, NA, that the seal affixed to the foregoing instrument is the seal of First Mid-Illinois Bank and Trust, NA, that said instrument was signed and sealed on behalf of First Mid-Illinois Bank and Trust, NA by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of First Mid-Illinois Bank and Trust, NA.

AS WITNESS my hand and notarial seal



Tricia Buehne  
Notary Public

My commission expires:

**EXHIBIT "A"**  
**DESCRIPTION OF RAILCARS**

Sixty-two (62) covered hoppers bearing reporting marks as follows:

<u>Car Number</u>		
HS 024220	HS 025322	HS 025781
HS 024236	HS 025323	HS 025814
HS 025000	HS 025325	HS 025603
HS 025001	HS 025326	HS 025604
HS 025033	HS 025327	HS 025605
HS 025052	HS 025331	HS 025606
HS 025056	HS 025337	HS 025610
HS 025058	HS 025338	HS 025612
HS 025085	HS 025407	HS 025613
HS 025090	HS 025427	HS 025637
HS 025093	HS 025437	
HS 025135	HS 025449	
HS 025177	HS 025452	
HS 025178	HS 025456	
HS 025208	HS 025570	
HS 025231	HS 025576	
HS 025232	HS 025594	
HS 025294	HS 025602	
HS 025295	HS 025657	
HS 025296	HS 025664	
HS 025300	HS 025666	
HS 025305	HS 025696	
HS 025314	HS 025698	
HS 025316	HS 025750	
HS 025319	HS 025759	
HS 025320	HS 025767	